

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting

Lansing, Michigan

Wednesday, November 17, 2004

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission (MAC), created by said act, met in the Aeronautics Auditorium, 2700 E. Airport Service Drive, Lansing, Michigan, on Wednesday, November 17, 2004, commencing at the hour of approximately 10:00 a.m.

Members Present

Sidney Adams, Jr., Chairman
Terry Everman, Commissioner
Lowell E. Kraft, Commissioner
Jim Collins, Commissioner
Eric V. Smith, Commissioner
John Ort, Commissioner
Ken Heaton, Commissioner
Mindy Koch, Commissioner
Rob Abent, MAC Director
Ray Howd, Legal Counsel
Barbara Burris, Analyst

Members Absent

Gloria J. Jeff, Commissioner

Staff

Ronald Seely, Airports Division
Pauline Misjak, Aviation Services Division
Gerald Edwards, Aviation Services
Steve Schultz, Aviation Services Division
David Baker, Airports Division
Mark Noel, Airports Division
Rick Hammond, Airports Division
Linn Smith, Airports Division
Mark Dontje, Airports Division
Juan Zapata, Airports Division

Also Present

Jim Hawley, Ann Arbor Municipal
Mark Johnson, Livingston County
John Lawson, Grosse Ile Municipal
Mitchell Price, Marshall – Brooks Field
Robert Selig, Capital City
Mike Lynn, Capital City
Lee Scherwitz, SW MI Regional
Jon Bayless, Grand Ledge-Abrams

A list of all others present is attached to the official minutes.

I. OPENING REMARKS

The November 17, 2004, Michigan Aeronautics Commission meeting was called to order by Chairman Sidney Adams at 10:05 a.m. He welcomed all in attendance. He asked that the guests in the audience introduce themselves for the record. Attendees in the audience identified themselves as follows:

Dave Wearsch, Analyst for the State Budget Office; Sean Brosnan, Director, Willow Run Airport and Vice President of the Michigan Association of Airport Executives (MAAE); Bob Selig, Director, Capital City Airport; Mitch Price, Manager, Marshall-Brooks Field; Lee Scherwitz, Director, Southwest Michigan Regional Airport and member of the MAAE Board of Directors; Mark Johnson, Airport Manager, Livingston County; Jim Hawley, Airport Manager, Ann Arbor Airport; John Lawson, Manager, Livingston County Airport; Mike Linn, Assistant Director, Capital City Airport; and John Bayless, Abrams Municipal Airport in Grand Ledge.

The Chair additionally recognized two people seated at the Commissioners' table; Kirk Steudle, Chief Deputy Director, MDOT, representing Director Gloria Jeff, and Ray Howd, Legal Counsel, representing Pat Isom, Assistant Attorney General In Charge, Transportation Division.

II. COMMISSION BUSINESS

A. Minutes of September 15, 2004

Turning to the Agenda, the Chair entertained a motion to approve the minutes of the September 15, 2004 meeting.

A motion was made by Commissioner Kraft to approve the minutes subject to a technical correction to page 17 of the minutes, under the heading Reports, subsection B. He noted that there are two airport facilities in the city of Linden, one of which, the Heritage Airpark, consists of the privately-owned property surrounding the airport. He asked that the minutes be revised to reflect that the airport proper is "state owned." The motion was supported by Commissioner Collins.

For the sake of clarification, Commissioner Heaton asked why the elections scheduled for September 15 had not been held.

Director Abent responded that prior to consideration of Commissioner Heaton's recommendations, Commissioner Everman motioned that a "full" nominating committee be named and a reconsideration be forwarded to the Commission for consideration. The motion prevailed.

Commissioner Heaton noted that a letter from himself had been submitted, to be considered and acted upon in his absence, reflecting the committee's recommendations for the two officer positions.

The Chairman entertained a vote on the minutes of the September 15, 2004 meeting. By unanimous voice vote, the MOTION CARRIED.

The Chairman called on Dave Baker, Funding Manager, to identify the projects for Commission approval. He noted that a new format would be utilized for the present meeting only whereby the projects would be lumped together into one action item without the benefit of slides. Mr. Baker was advised that the procedure for presenting the transfers would revert to the old format for future meetings.

B. Airport Development Program

Referring the Commissioners to the documents contained in their notebooks under Exhibit B, Mr. Baker welcomed questions regarding the individual projects and/or airports.

(The projects for which transfers were considered are inserted as follows:)

FEDERAL/STATE/LOCAL AND STATE/LOCAL PROJECTS

Location	Total Allocation	Project Description
Lenawee County Adrian	250,000	Supplemental transfer for land acquisition
Padgham Field Allegan	100,000	Environmental assessment for runway extension
Ann Arbor Municipal Ann Arbor	962,000	Environmental assessment for runway replacement
Beaver Island Beaver Island	30,000	Tree clearing for approaches
Fitch H. Beach Municipal Charlotte	157,894	Land acquisition
Branch County Memorial Coldwater	65,000	Design of rehabilitation for runway 6/24
Drummond Island Drummond Island	100,000	AWOS
Fremont Municipal Fremont	47,000	Supplemental transfer for land acquisition
Memorial Airpark Grand Haven	92,593	AWOS

Livingston County Howell	725,000	Land acquisition
Livingston County Howell	3,150,000	Relocate Hangars
Livingston County Howell	625,000	Site preparation and paving of hangar area and aprons
Gogebic Iron County Ironwood	25,000	Wildlife Study
Gogebic Iron County Ironwood	6,500	Tree Clearing for VOR
Mason County Ludington	450,000	Animal control/security fencing
Marlette Township Marlette	6,000	Cracksealing and paint marking
Monroe Custer Monroe	452,150	Upgrades to airport electrical systems
Plainwell Municipal Plainwell	1,600	Radio controlled lighting
Oakland County International Pontiac	1,157,895	Relocate hangars north of 18/36
Romeo State Airport Romeo	92,593	AWOS equipment and underground cable installation
Romeo State Airport Romeo	20,000	Gas main installation in southwest t-hangar area
Paul C. Miller-Sparta Sparta	30,000	REIL replacement
Paul C. Miller-Sparta Sparta	5,000	Beacon replacement
Statewide	15,000	Windsocks, runway cones and locks
Three Rivers Municipal, Dr. Haines Three Rivers	92,593	AWOS

With respect to Gogebic-Iron County Airport, Commissioner Kraft inquired whether fencing would be necessary to reduce wildlife hazards at the airport. Mr. Baker explained that all Part 139 FAA certificated airports are required to have a wildlife assessment regardless of a pre-existing hazard. A fencing project is currently underway at this airport.

Commissioner Kraft pointed out that several of the projects listed are funded through the 2003 federal/state/local program.

Mr. Baker explained that often times, for a variety of reasons, a particular project will be postponed for a year or more following the appropriation of funds. The funding, however, does not expire and may be used at the airport's discretion at a later date.

In follow-up, Commissioner Kraft inquired whether the practice of using old-year money created budgetary issues for the FAA. Mr. Baker explained that the department goes to great lengths to avoid the forfeiture of federal funds. Occasionally, this results in the FAA's goals with respect to project close-out going unmet.

On inquiry from Commissioner Heaton, Mr. Baker explained that the legislation authorizing the appropriation specifies a time frame for the use of funds. Some flexibility exists, however, which allows for the shifting of funds in accordance with federal guidelines.

Concerns were raised by Commissioner Kraft with respect to the cost of relocating T-hangars at two of the airports listed. Mr. Baker attributed these increases to a change in the code which now requires construction of a foundation.

In addition to the projects listed above, Mr. Baker identified three supplemental transfers processed during the intervening period in accordance with the policy on supplemental transfers: Oceana County Airport, Hart; Livingston County Airport, Howell; and Cherry Capital Airport, Traverse City.

The Chairman noted that no official action is required on the supplemental transfers.

Whereupon, Commissioner Heaton moved for adoption of the proposed transfers. The motion was supported by Commissioner Kraft. By unanimous voice vote, the MOTION CARRIED.

Director Abent reiterated that future transfer requests would conform to the format used in the past and should include, in addition, a schematic of the runway for each airport. Mr. Baker was instructed to accommodate this request.

B. Proposal to Amend By-laws

In restating the actions taken at the previous meeting, the Chairman noted that a motion was made by Commissioner Everman to amend the By-laws to allow an officer of the Commission to serve a single consecutive term. The motion was supported and unanimously approved. Pursuant to the Commission By-laws, the amendment lays over until the next regular meeting for approval.

The Chairman entertained a motion to approve the amendment to the By-laws to allow an officer to serve a single consecutive term.

Moved by Commissioner Collins, with support from Commissioner Everman, to approve the above-mentioned amendment to the Aeronautics Commission By-laws.

Whereupon, Commissioner Heaton raised an objection to the proposed amendment over concerns that the amendment would prevent some of the members serving on the Commission from becoming Chair and/or Vice Chair through the traditional rotation process. He cited the diversity of talent on the Commission and asserted that the Commission would be better served by adhering to established procedures.

Having been absent at the previous meeting, Commissioner Ort requested clarification on the actions taken at the September 15 meeting in Kalamazoo.

Director Abent acknowledged that Commissioner Heaton had forwarded recommendations on behalf of the Nominating Committee, which at the time, due to a turnover on the Commission, consisted of one member; that before a vote on the nominations could be taken up, an amendment was proposed by Commissioner Everman to appoint a full Nominating Committee of three to consider nominations. The motion was unanimously approved. In light of that motion, the nominations submitted by the Nominating Committee were tabled.

Commissioner Ort requested additional clarification as to the justification for amending the By-laws.

Director Abent advised that the By-laws provide that an officer of the Commission, either Chair or Vice Chair, may serve only one term. Commissioners may serve more than one term during the tenure of their appointment, but only one term consecutively. He noted that the amendment would allow an officer to serve one single consecutive term.

Chairman Adams added that the Commission is presently almost entirely comprised of new commissioners.

Commissioner Heaton indicated that prior to the September 15 meeting he had contacted all appointed commissioners to determine their interest in serving in an officer position and that the slate that was brought forward represented those commissioners who had expressed interest in serving in either the Chair or Vice Chair capacity.

The Chairman called for a vote on the motion to amend the By-laws to allow an officer to serve a single consecutive term. On the basis of Commissioners Collins, Smith, Everman, Steudle, and Koch voting aye, and Commissioners Heaton, Kraft, and Ort voting nay, the MOTION CARRIED.

C. Election of Officers

The Chairman deferred to Commissioner Heaton, Chair of the Nominating Committee, to present recommendations for the positions of Chair and Vice Chair of the Aeronautics Commission.

Whereupon, Commissioner Heaton proposed a motion to consider Sidney Adams, Jr., as Chair and Terry Everman as Vice Chairman. The nominations become valid subject to the passage of the above-mentioned amendment to the By-laws of the Michigan Aeronautics Commission. He noted that a letter containing the committee's recommendations had been signed by Commissioner Collins and himself; that the third member of the Nominating Committee, Commissioner Everman, had been excused from the Nominating Committee's deliberations. The motion was supported by Commissioner Collins.

The Chairman entertained a vote on the motion to approve the nominations as set forth. By unanimous voice vote, the MOTION CARRIED.

D. 2005 Meeting Schedule

Meetings of the Aeronautics Commission are held on a bi-monthly basis, three of which are held in Lansing. In years previous, the Commission has scheduled a minimum of two meetings off site, resulting in a positive exchange between the Commission and the aviation community. In 2003, due to the state's budget deficit, the Commission voted to hold a moratorium on travel for 2004. The Chairman proposed that the Commission resume the practice set forth in the By-laws and hold three meetings in Lansing, to include a joint meeting with the State Transportation Commission, and two additional meetings off site, including a joint meeting with the Michigan Association of Airport Executives in September. He suggested possible venues for the 2005 meetings. Action on this item, he noted, could be taken up at the meeting scheduled for January 2005.

Commissioner Kraft inquired whether the State Transportation Commission had scheduled off-site meetings for 2005.

Commissioner Steudle responded that the State Transportation Commission would likely engage in very limited travel, holding perhaps no more than two meetings outside of Lansing. No determinations have been made as to locations.

The Chair deferred to Director Abent, who invited the Commissioners to recommend venues for off-site meetings with action due at the January meeting.

Commissioner Smith inquired whether the dates proposed for 2005 could be locked in by a vote of the Commission.

Upon further discussion, the Chairman entertained a motion to approve the dates proposed for upcoming meetings with locations to be determined and acted upon in January.

Whereupon, it was moved by Commissioner Heaton to adopt the dates proposed for 2005. The motion was supported by Commissioner Smith. By unanimous voice vote, the MOTION CARRIED.

III. DISCUSSION

Director Abent noted that it had been the intent of MDOT Director Gloria Jeff to present an update on aeronautics in Michigan; that due to a scheduling conflict and her resulting absence, the report had been postponed until the January 26, 2005 meeting of the Commission.

At this juncture, Director Abent proceeded to a PowerPoint presentation to update the Commission on bureau activities.

In July 2004, MAC Commissioners and himself were invited by Commissioner Ken Heaton, Department of Military and Veterans Affairs, to participate in a Civic Leader Tour to Anchorage, Alaska. The tour consisted of visits to military and aircraft installations in Alaska (sharing photos). He thanked Commissioner Heaton and his staff for facilitating this terrific event.

Another event included the 2004 National Association of State Aviation Officials Annual Conference, held in St. Paul, Minnesota. The Director noted that nearly all states, without exception, are experiencing substantial budget problems. Some, including California—along with Michigan one the largest dues-payers—were unable to pay their annual membership dues this year. At the meeting, Director Abent was appointed to the Board of Directors as Director of Region 2, the Great Lakes Region, and will participate in teleconference meetings with the Region 2 member states.

Another event worthy of note was the October 2004 Enshrinement Ceremony held at the Air Museum in Kalamazoo, where former MAC Director Bill Gehman was officially inducted into the Michigan Aviation Hall of Fame. Director Abent extended congratulations to Mr. Gehman.

Recently, the Michigan Business Aviation Association held a legislative conference to acquaint legislative leaders with the importance of aviation. The event was a huge success.

In September, Commissioners and staff of the bureau participated in the Michigan Association of Airport Executives' (MAAE) fall conference in Kalamazoo. Director Abent thanked the MAAE for the opportunity to participate in this event.

Another event attended by Commissioners and staff was the grand opening of the Cherry Capital Airport, a facility of exceptional beauty and functionally, which is sure to become a tourist destination.

Staff of the bureau also attended the American Association of State Highway and Transportation Officials training session. This was a very valuable experience for those in attendance.

In October, the Director attended the *International Airport Cities Conference* held in Romulus, which focused on inter-modalism and the concept of airports as destinations in and of themselves. Additional information is available on this conference.

The Director and staff also attended the FAA's Regional Meeting held in Chicago. This event included a sendoff for Cecilia Hunziker, Great Lakes Regional Administrator, who has announced her retirement, and a roundtable discussion on issues of import to Michigan's aviation community.

A second Transportation Summit will be held on December 15 of this year for participants of the various Summit committees to discuss their findings and proposals for future activities.

One of the core values of the Department of Transportation is to celebrate our accomplishments, both professionally and personally. The Director recognized Gerry Edwards, the recipient of the department's *Super Service Award* for his outstanding service as liaison to conference attendees at the Wally Byam Air Stream Convention, held on airport property in July. The Director noted that Rick Hammond was also recognized by the Park Wood YMCA as the "2004 Adult Volunteer of the Year." He congratulated both Gerry and Rick on their achievements.

Chairman Adams provided a post-critique of the international conference held in Romulus. He opened the floor for comments from the audience.

There being no comments from attendees, the Chair deferred to Commissioner Kraft for a report on the latest meeting of the General Aviation Committee.

IV. REPORTS

A meeting of the General Aviation Committee was held November 10, 2004. Commissioner Kraft's report is paraphrased as follows:

The committee focused primarily on two items; GPS approaches and a briefing on the Great Lakes International Aviation Conference.

GPS approaches have been in existence since 1998. Since their introduction, Michigan has had 98 GPS approaches approved at 48 different airports in Michigan. Another ten are waiting to be developed, flown and published. Constraints on the development of additional GPS approaches derives from the FAA's incapacity to complete more than 500 per year. Michigan has averaged approximately ten per year. Full capacity is expected to be reached by 2010, when most airports will have GPS approaches. Commissioner Kraft advised that the accelerated installation of GPS approaches that was anticipated has bottomed out and will not be achievable for some time to come. He entertained questions from the Commission.

Commissioner Everman queried whether state funds would be expended to develop the GPS approaches.

Commissioner Kraft advised that until the FAA revised its requirements to include an airport layout plan (ALP), any expense to the state had been nominal. Funding will be required to complete the necessary ALPs.

The Chairman called on Dr. Phil Tartalone, Airports Division, for a briefing on the upcoming Great Lakes International Aviation Conference.

C. 2005 GLIAC Conference

Dr. Tartalone provided an overview of the 2005 conference, summarized as follows:

This year's conference, scheduled for January 20-22, 2005, is expected to be an exceptional event. A few changes of note: The conference has been relocated to the Lansing Center in downtown Lansing and will take on a new format. The conference will run Thursday through Saturday as opposed to Friday through Sunday. Dr. Tartalone listed some of the approximately 100 exciting speakers and sessions scheduled throughout the event. A newly initiated program called "Refer a Friend," will allow conference attendees to receive a \$10 check for referring someone who has never attended. He invited the Commissioners and members of the audience to attend.

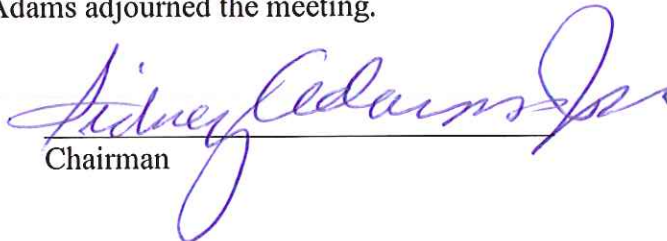
The Chairman announced that the next meeting of the Aeronautics Commission would be held on January 26, 2005, at the Lansing location. He thanked the parties in attendance.

At approximately 11:30 a.m., Chairman Adams adjourned the meeting.



Director

Dated: 1/26/05


Chairman